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N.I.A. 10th Meeting

COPY NO. 21

NATIONAL INTELLIGENCE AUTHORITY

Minutes of Meeting Held in Room 5142
New State Department Building
on Thursday, 28 June 1947 at 10:30 A.M.


MEMBERS PRESENT

Secretary of State George C. Marshall,
in the Chair
Secretary of War Robert P. Patterson
Secretary of the Navy James Forrestal
Fleet Admiral William D. Leahy
Personal Representative of the President
Rear Admiral R. H. Hillenkoetter,
Director of Central Intelligence

ALSO PRESENT

Assistant Secretary of War Howard C. Petersen
Under Secretary of the Navy John L. Sullivan
Mr. William A. Eddy, Department of State
Major General S. J. Chamberlin USA
Rear Admiral Thomas B. Inglis USN
Rear Admiral E. T. Wooldridge USN
Mr. Donald Edgar, Central Intelligence Group

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DISCUSSION OF THE AUTHORITY GRANTED THE
DIRECTOR OF CENTRAL INTELLIGENCE BY THE
NATIONAL INTELLIGENCE AUTHORITY AT ITS
9TH MEETING TO ISSUE ORDERS AND DIRECTIVES

SECRETARY MARSHALL requested Admiral Hillenkoetter to explain the subject authority approved by the National Intelligence Authority at its last meeting.

ADMIRAL HILLENKOETTER, after a brief explanation, stated that at the present time the Director of Central Intelligence did not need this authority and he felt that its rescission would create a better feeling with the member Intelligence Advisory Board agencies. However, he would be the first to request its reinstatement if ever needed.

SECRETARY PATTERSON stated he had no objection to the withdrawal of the authority provided it was no longer needed.

ADMIRAL LEAHY noted if the authority had not been used to date he did not see the necessity of its withdrawal.

UNDER SECRETARY OF THE NAVY SULLIVAN asked Admiral Hillenkoetter if he thought the withdrawal of the authority in question would result in better cooperation between the member IAB agencies.

ADMIRAL HILLENKOETTER replied that in his opinion this was correct.

SECRETARY FORRESTAL stated the authority granted the Director of Central Intelligence to operate within his jurisdiction as the agent for the Secretaries of State, War and Navy and to issue directives in their names made the CIG appear as a gestapo and caused unnecessary friction.

GENERAL CHAMBERLIN, upon being questioned by Secretary Patterson, stated he felt Admiral Hillenkoetter was correct in requesting the rescission of the authority.

SECRETARY MARSHALL asked whether the withdrawal of this authority would adversely affect the status of CIG and its relationship with the agencies.

ADMIRAL HILLENKOETTER replied that on the contrary he expected it would improve the relationship.

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After further discussion,

THE NATIONAL INTELLIGENCE AUTHORITY:

Agreed to withdraw the following authority delegated to the Director of Central Intelligence "The Director of Central Intelligence shall operate within his jurisdiction as an agent of the Secretaries of State, War and the Navy, and the necessary authority is hereby delegated by the Secretaries of State, War and the Navy to the Director of Central Intelligence so that his decisions, orders and directives shall be considered as emanating from them and shall have full force and effect as such, provided any aggrieved agency may have access to that agency's Secretary and through him to the N.I.A."

DISCUSSION OF UNFAVORABLE PUBLICITY DIRECTED AT THE CENTRAL INTELLIGENCE GROUP

ADMIRAL HILLENKOETTER stated he had prepared a letter to the House Committee on Expenditures in the Executive Departments for the signature of the members of the NIA with reference to the recent numerous newspaper articles which stated that the Central Intelligence Group had usurped various departmental functions and forced established operating organizations out of the field.

SECRETARY PATTERSON stated that the presidential letter establishing the NIA and the CIG was silent as to the operations of CIG and left this responsibility to the NIA.

ADMIRAL LEAHY stated the President had no thoughts on the details of CIG operations, but at the time of the issuance of the letter of 22 January 1946 the President felt he was not receiving properly coordinated intelligence reports.

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SECRETARY PATTERSON stated he had received several inquiries with reference to the recent unfavorable publicity of CIG clandestine activities. He said that while he had no reason to believe that CIG was not ably performing this activity, there might be some basis for these accusations and, therefore, he would like to hear any comment the other members of the NIA might have relative to replying to such inquiries.

ADMIRAL LEAHY stated it was his opinion that clandestine operations were far less effective when operated by more than one agency. He further stated that such operations could not be any worse now than they were during the time he was in France prior to the late war.

SECRETARY PATTERSON noted that NIA had the authority to delegate conduct of clandestine operations within their respective agencies as they saw fit.

SECRETARY FORRESTAL asked Admiral Hillenkoetter if Mr. Hoover was in sympathy with the present clandestine operations of CIG.

ADMIRAL HILLENKOETTER replied that he was.

SECRETARY FORRESTAL stated that the NIA had to rely on the soundness of the organization to which the operation of clandestine activities was delegated and further he did not see how answers could be given to unfavorable publicity in this regard due to security reasons.

SECRETARY MARSHALL stated that it was his opinion if the operation of clandestine activities were, for example, centered in the War Department, the Navy Department would not agree, and conversely, if these activities were centered in the Navy Department the War Department would not agree. Therefore, they must be in a "neutral" agency.

SECRETARY FORRESTAL suggested that Admiral Hillenkoetter contact the leading newspaper publishers with reference to the printing of criticisms of CIG.

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ADMIRAL HILLENKOETTER replied that this had already been done.

After further discussion

THE NATIONAL INTELLIGENCE AUTHORITY

Signed the letter to the House Committee on Expenditures in the Executive Departments.

REPORT BY THE DIRECTOR OF CENTRAL INTELLIGENCE

ADMIRAL HILLENKOETTER gave a brief resume of the following report:

"Atomic Energy Commission

"It will be recalled that at that last meeting you approved the issuance of NIA Directive No. 9, providing for the transfer from the Manhattan Engineering District to the CIG of military intelligence personnel and the centralization in CIG of the coordinating responsibility for collection, production, and dissemination of intelligence pertaining to foreign atomic energy developments. Immediately thereafter informal working agreements were established, and we have every reason to hope that a formal agreement is imminent. Admiral Souers is working with the AEC toward this goal.

"State-War-Navy Coordinating Committee

"Running a close second to the Atomic Energy Commission in importance as a customer of CIG and, in my opinion, probably leading it eventually on the basis of volume is the State-War-Navy Coordinating Committee.

"SWNCC is the interdepartmental or national policy group: CIG is the interdepartmental or national intelligence group. National policy should be built on national intelligence. A most satisfactory formal liaison has been established by CIG with the SWNCC

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secretariat. I plan personally discussing with Mr. Seltzman, the new Chairman of SWNCC, the manner in which CIG can further assist through the preparation of those intelligence reports and studies which the SWNCC committees should have, particularly right now, the Ad Hoc Committee for Economic Aid.

"Joint Research and Development Board

"In implementation of established agreements between the Joint Research and Development Board and CIG, wherein CIG acts as the scientific intelligence facility of the Joint Research and Development Board, detailed working arrangements have been established, formulation of a National Scientific Intelligence Program has been initiated, and JRDB has started a flow of requests to CIG for scientific and technical intelligence. Consideration has been given by CIG in collaboration with the JRDB and the IAB agencies to scientific intelligence, and CIG has made continuing progress in meeting JRDB requirements. One weakness that has been disclosed by CIG coordination is the almost complete lack of fully qualified collectors of scientific intelligence.

"Joint Chiefs of Staff

"It will be recalled that the NIA has in the past discussed the CIG relationship to the JCS and the confusion and duplication which exists due to a lack of demarcation of duties between CIG and Joint Intelligence Committee of the JCS. To date almost all CIG planning has had to be adjusted to this continuing problem. I understand that the JIC is now considering a proposal which may resolve the

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matter. I do not know its details. In fact I have no official way of knowing what takes place in JIC. I can only hope that at an early date the Director of Central Intelligence will be placed on the distribution list for JIC papers and will be invited to sit with the JIC, at least as an observer. Without some such close tie-in, there will continue to be a sad lack of coordination.

"CIG Intelligence Program

"In our attempt to meet our responsibilities to the President, to yourselves as members of the NIA, and to such special organizations as I have mentioned above, CIG has, as its personnel and facilities have permitted, gradually developed an intelligence program which when fully activated will, I believe, accomplish what was intended in the President's originating letter of 22 January 1946.

"We believe that no military or diplomatic planning can be successfully done except against a background of incontrovertible facts. These facts we call basic intelligence. In one degree or another these facts are needed by each of your departments.

We are undertaking to coordinate the compilation of these facts, this basic intelligence, in handbooks to be called National Intelligence Surveys and to make them available in multiple copies to the departments. They will be loose-leaf so that they can be kept currently correct and so that they can be subdivided and

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distributed for specialized use. They will contain data on foreign government organization, pertinent history, topography, population and manpower, climate, strategic areas, health, and sanitation, etc. In a form strictly limited to wartime military use, some basic intelligence was compiled by the JIC in the Joint Army-Navy Intelligence Studies. We are trying to obtain agreement that this JIC undertaking, which continues in a less active manner, be consolidated with our National Intelligence Surveys. It is my understanding that the JIC is supporting this proposal before the JCS.

"Situation Reports

"Another form of intelligence reference we call Situation Reports. These reports are to cover countries or areas, and those special international subjects not restricted to countries or areas. They are designed to contain a concise summary of the situation, its implications, and its possible or probable effect on our own national security. These reports will also be loose-leaf in form for ready revision. They will give military, naval, political, economic, and diplomatic coverage, and the facilities of the several agencies will be used to a maximum in their preparation.

"From time to time we hope to put out a composite overall analysis of the world situation, based on these separate Situation Reports.

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~~TOP SECRET~~"Interagency Coordination of Production

"The line of demarcation between national intelligence and agency intelligence is not always clear. But we try consistently to limit our production efforts strictly to that national intelligence which is essential to national policy planners, leaving to the agencies that agency intelligence required for operational use of departmental officers.

"Further to avoid duplication, CIG has prepared and the IAB has unanimously approved a plan for the interagency coordination of the production of intelligence. The plan attempts to insure complete coverage and eliminate unproductive duplication. We are awaiting the comments of the JCS and the agency planners before submitting it to the NIA.

"Our big problem in the production field is the NIA requirement that the concurrence or comment of each IAB agency to each CIG intelligence report must be obtained, excepting current intelligence reports. I plan to review this situation personally with the IAB.

"Current Intelligence

"By NIA Directive No. 2, CIG is required to produce current intelligence for use of the President, the members of this Authority, and a few others. These are the Daily and Weekly Summaries. Personally, I feel that these summaries are pretty poor, and we are now endeavoring to make changes in them to increase their value. Any suggestions or ideas to make them better would be warmly received."

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pleased with the contents of the daily summaries, and further he read these summaries every day even going so far as to read the cables attached to his copy.

UNDER SECRETARY OF THE NAVY SULLIVAN stated he thought the information contained in the CIG Weekly Summary was excellently presented.

SECRETARY FORRESTAL stated that the veracity of the contents of the daily and weekly summaries should be without question. He further stated that he made this point since a portion of the information contained in a recent daily summary had not been correct.

ADMIRAL HILLENKOETTER reaffirmed his position that there was great room for improvement.

"Collection Coordination

"Two NIA Directives have been issued affecting the collection of intelligence. One established a program for the overall coordination of collection activities. Recent field surveys by CIG officers indicate that in some posts abroad this directive has had a positive and beneficial effect. In others the generality of its terms has vitiated its force. A continuing study is being made by CIG, and suggestions for improvement will probably be made to the intelligence sections of your departments. With recent budget cuts, the Government's limited facilities must be employed to their maximum efficiency to protect the national security.

"The second Directive announced the current essentials and intelligence objectives of this Government as regards China. The purpose behind this Directive was to pool all agency requirements and allocate them in accordance with field representative capabilities, thus using manpower efficiently and avoiding duplication. Further National Intelligence Requirements are in preparation.

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TOP SECRET"CIG Collection

"In addition to coordinating agency facilities for collection, CIG maintains centrally, for the benefit of all, four operations,

"There is the Office of Special Operations
(Off the record remarks)

In the Office of Operations are the

1. Contact Branch
2. Documents Branch
3. Foreign Broadcasts Intelligence Branch

"The Contact Branch has continued to develop the exploitation of American organizations and individuals having a foreign intelligence potential. Interagency offices are now operating in New York, Washington, Chicago, and San Francisco. Intelligence classified by the agencies as important has been obtained from these contacts. In addition, a contact register is being developed listing future potential sources.

"The Documents Branch is continuing the work of the old Washington Document Center in the exploitation of captured documents from the Far East and is now absorbing the German Military Document Section and the Special Document Section of the War Department Intelligence Division. Some of these were joint British-Canadian-American projects. This presents a difficulty because of the lack of authority of CIG to maintain liaison with foreign governments, a difficulty which may require NIA resolution. As the backlog of these captured documents decreases, we hope to transfer the attention of our translators to the exploitation of current foreign periodicals.

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"The CIG, under State Department auspices, has recently reached reciprocal agreement in principle with the British Government. This provides for complete interchange of foreign broadcast monitoring material between the BBC monitoring service and our Foreign Broadcast Intelligence Branch. This reciprocal agreement is designed to obtain economical monitoring coverage by a division of the world into U. S. and U. K. zones of monitoring interest. The new arrangement provides for a transfer of our monitoring station in Cairo, an area which is rapidly becoming politically unstable, to the British Crown colony of Cyprus. The British will assume responsibility for our transmissions from Cyprus to London. In return for this concession, as well as for the continuation of the wartime arrangement whereby we receive the entire British monitoring product of BBC, CIG will transmit to London a selected file of our Far-Eastern and Latin-American monitoring product.

"Collection and Dissemination Coordination

"In addition to the above active collection efforts and to field coordination, CIG is devoting much time to the coordination of the collection efforts of the agencies here in Washington through clearing house arrangements and central reading panels.

"Other Problems

"The continued absence of legislation continues to hamper the soundest development of CIG in several directions, both within and without the Government.

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"I believe I should bring to your attention one serious problem. CIG is being called upon by the Atomic Energy Commission, the Joint Research and Development Board, and others for scientific intelligence. CIG is unable fully to meet these requirements because of the general lack of properly qualified collectors of scientific intelligence. Some quarters have proposed the designation of scientific attaches to missions abroad. I have no present solution, but CIG is working closely with Dr. Vannevar Bush to obtain, as may be possible, qualified scientific collectors. Several plans, including one of obtaining scientists and then giving them a course of intelligence, are under discussion. This is admittedly a difficult and urgent problem but one on which we are working and which we hope to solve."

SECRETARY PATTERSON asked Admiral Hillenkoetter if the "CIG Section" in the Unification Bill was satisfactory to CIG.

ADMIRAL HILLENKOETTER replied that it was.

SECRETARY FORRESTAL asked Admiral Hillenkoetter if General Donovan was in agreement with the present organization of CIG.

ADMIRAL HILLENKOETTER replied that General Donovan, Mr. Cheston, his principal assistant in OSS, and Allen Dulles were in perfect agreement with the present organization of CIG, and further that Mr. Cheston and Mr. Dulles had agreed to appear before the Committee in CIG's behalf. General Donovan had written a letter to the Committee in CIG's behalf since it was impossible for him to appear personally due to the fact that he was out of the country.

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DISCUSSION OF RELATIONSHIP BETWEEN THE
JCS, JIC AND THE CIG

As a result of that part of Admiral Hillenkoetter's report on the relationship between the JCS and CIG and the lack of demarcation of duties by the CIG and JIC, SECRETARY PATTERSON stated he thought there had been some previous discussion relative to the dissolution of JIC.

ADMIRAL HILLENKOETTER replied that this was correct and that the discussion had taken place at the last NIA meeting.

ADMIRAL LEAHY stated it was his opinion that JIC should be abolished. However, JCS had under consideration a plan for collaboration between JCS and CIG.

SECRETARY PATTERSON asked General Chamberlin if the JIC at present served any useful function.

GENERAL CHAMBERLIN replied in the affirmative, and noted if JIC were abolished and its functions assumed by CIG it would thus make an outside civilian agency a party to projected war plans.

ADMIRAL LEAHY noted that as a possible solution to this problem intelligence information required by the JCS could be furnished by CIG to JIC, who, in turn, could put the information in the form desired by the JCS.

TRANSFER OF THE STATE DEPARTMENT'S MAP
INTELLIGENCE DIVISION AND STATE REPRESENT-
ATIVES SERVING WITH JISPB TO CIG

ADMIRAL HILLENKOETTER stated at the request of the State Department member of the Intelligence Advisory Board an investigation of CIG appropriations was made and it appears that CIG can carry these functions for the next fiscal year. The work and product of the subject organizations are of considerable importance to all the member agencies and it had been agreed by the Director of Central Intelligence and the State Department member of the IAB, subject to IAB and NIA approval, that CIG would take over these activities.

SECRETARY MARSHALL stated it would be appreciated if the NIA would approve the transfer of the above-mentioned activities to CIG. He noted that there was a total of 106 employees involved.

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After some discussion,
THE NATIONAL INTELLIGENCE AUTHORITY
Agreed to the transfer of the State Department's Map Intelligence Division and that Department's representatives serving with the JISPB to the CIG and directed the Director of Central Intelligence to work out the details with the proper authorities in the State Department.

SECRETARY MARSHALL stated he was still troubled by the debates in Congress over the allotment of money for intelligence activities, and further it was his opinion that the allotment of funds for intelligence activities should be appropriated in a lump sum and controlled by one person.

SECRETARY MARSHALL went on to state that Congressman Taber was in agreement and during recent discussions on the appropriation of funds for intelligence activities Mr. Taber stated it was necessary for him to talk to twenty-six different people. Secretary Marshall said it was his belief that the tenor of the conversations of NIA members in appearing before Congressional Committees on the subject of appropriation of funds for intelligence purposes should be that "in order to get our money's worth" the amount of such appropriations must be kept secret and some one person had to be trusted in the disbursement of these funds.

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